

STATEMENT OF WORK

UNDER STATE TERM SCHEDULE NUMBER 533384-0

Secretary of State Contract Number 158

This Statement of Work is between the **Office of the Ohio Secretary of State** (hereinafter the "Secretary"), located at 180 E. Broad Street, 16th Floor, Columbus, Ohio 43215, and **GovTech Solutions, LLC**, an Ohio limited liability company, with offices at 3046 Brecksville Road, Richfield, Ohio 44286 (hereinafter the "Contractor") (Secretary and Contractor each referred to herein as a "Party" and collectively as the "Parties").

The parties, for good and valuable consideration and based on the mutual promises recited herein, agree as follows:

Article I. STATE TERM SCHEDULE

- 1.01 This Statement of Work ("SOW") is entered into under the authority of State Term Schedule 533384-0 (the "STS") and incorporates by reference the Terms & Conditions of the STS.

Article II. SCOPE OF WORK

The Contractor shall undertake the work and activities set forth in the attached Exhibit A and Exhibit B, which are incorporated herein.

Article III. TERM

This SOW is effective as of the 1st day of July 2003. This SOW will automatically expire on June 30, 2004. Unless this SOW is terminated or expires without renewal, it will remain in effect until the Services is completed to the satisfaction of the Secretary and the Contractor is paid. Satisfaction of the Secretary shall be judged on a reasonable standard. The current General Assembly cannot commit a future General Assembly to expenditures. The Secretary, however, may renew this SOW in the next biennium by issuing written or electronic notice to the Contractor of the decision to do so. This expiration and renewal procedure will also apply to the end of any subsequent biennium during which the Services continues.

Timeliness of Performance. Contractor understands that prompt performance of all services hereunder is required by Secretary in order to meet its schedules and commitments. In the event that any anticipated or actual delays in meeting Secretary's deadlines or scheduled completion dates are caused by the

unacceptable performance of any Contractor employee or any other cause within the reasonable control of Contractor, Contractor shall provide additional temporary personnel, as requested by Secretary and at no charge to Secretary, in order to complete the assignment involved in a timely manner. Neither party, however, shall be responsible for any delays that are not due to such party's fault or negligence or that could not have reasonably been foreseen or provided against.

Article IV. COMPENSATION

- 4.01** In consideration for the promises and performance of the Contractor as set forth herein, the Secretary agrees to:

Pay the Contractor, upon submission of appropriately detailed and accurate invoices for services performed by the Contractor in accordance with Article I, Exhibit A of this SOW at an hourly rate of **ONE HUNDRED DOLLARS FIFTY-SIX AND 76/100 CENTS (\$156.76)**.

Pay the Contractor, upon submission of appropriately detailed and accurate invoices for services performed by the Contractor in accordance with Article I, Exhibit B of this SOW at a monthly rate of **TWO HUNDRED FIFTY DOLLARS AND 00/100 CENTS (\$250.00)** for the hosting of the COGS Website.

- (c) In no event shall the cost to the Secretary under this SOW for goods delivered and services performed as detailed in Article I, Exhibits A and B, plus any applicable expenses exceed **FIVE THOUSAND TWO HUNDRED SIXTY-THREE DOLLARS AND 00/100 CENTS (\$5,263.00)**.
- 4.02** Any Deliverables shall be accompanied by an appropriately detailed and accurate invoice for services performed and expenses incurred.
- 4.03** An invoice is not proper if it contains a defect or impropriety. A proper invoice shall include, but is not limited to, the identification of a purchase number, the date of service and the service provided. The Secretary shall notify the Contractor within ten (10) days, in writing, of the defect or impropriety and provide any information necessary to correct the defect or impropriety.
- 4.04** Contractor shall first forward all Invoices and Deliverables to Dilip C. Mehta, Chief Financial Officer, for review and approval at the following location:

Secretary of State of Ohio
Attn: Dilip C. Mehta, Chief Financial Officer
180 East Broad Street, 17th Floor
Columbus, Ohio 43215

Section 126.30 of the Ohio Revised Code is applicable to this SOW and requires payment of interest on overdue payments. The interest rate shall be at the rate per calendar month which equals one twelfth of the rate per annum prescribed in Section 5703.47 of the Ohio Revised Code.

Unless expressly provided for elsewhere in this SOW, the Contractor shall be responsible for and assume all office and business expenses that are incurred as a result of the performance of this SOW.

The Secretary is exempt from any sales, use, excise and property tax. To the extent sales, use, excise or any similar tax is imposed on the Contractor in connection with the Services, such will be the sole and exclusive responsibility of the Contractor, and the Contractor will pay such taxes (together with any interest and penalties not disputed with the appropriate taxing authority) whether they are imposed at the time the services are rendered or a later time.

Article V. MISCELLANEOUS

The rights and responsibility arising under this SOW may not be assigned or delegated by either party hereto in whole or in part, without the prior written approval of the other party hereto.

If any provision of this SOW is held to be invalid by any court of competent jurisdiction, the invalidity of such provision shall not affect any other provision of this SOW

The parties agree that this SOW is for the benefit of the parties hereto and is not intended to confer any rights or benefits on any third party, including any employee, vendor, or customer of either party, and that there are no third party beneficiaries as to this SOW or any part or specific provision of this SOW.

This SOW shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns.

- 5.05 No waiver of any breach or of any of the terms or provisions of this SOW shall be, or be construed to be, a waiver of any preceding or succeeding breach of the same or any other provision hereof.
- 5.06 Any notices required or permitted by this SOW shall be sent by courier facsimile, or by registered or certified mail with return receipt requested. Notices shall be deemed given upon personal delivery to the addressee, or three days after the date of mailing if sent by registered or certified mail.

Notices to Secretary shall be sent to:

The Office of the Ohio Secretary of State
180 East Broad Street, 15th Floor
Columbus, Ohio 43215

Facsimile: (614) 644-0649

Notices to Contractor shall be sent to:

GovTech Solutions, LLC
3046 Brecksville Road
Richfield, Ohio 44286

Facsimile: (330) 659-7388

IN WITNESS WHEREOF, the parties have executed this Statement of Work as of the dates appearing below.

SECRETARY:

CONTRACTOR:

By: 
Monty Lobb

By: _____

Title: Assistant Secretary of State

Title: _____

Date: 7.21.03

Date: _____

SOCIAL SECURITY NUMBER
OR FEDERAL TAX I.D. NUMBER

EXHIBIT A

To Statement of Work (Secretary of State Contract Number 158)

Certificate of Good Standing Web Site (the “COGS Website”)

Background

The Contractor has previously developed the GOGS Website and has successfully hosted the GOGS Website for over a year. The first generation GOGS Website used Skipjack as its Credit Card Payment Processing engine. The Secretary has decided to cease using Skipjack as its payment processor and instead use VeriSign for credit card processing.

Scope of Work

Contractor shall convert the first generation GOGS Website to use VeriSign's Payflow Pro service to accept credit card payments from the original Skipjack Credit Card Payment Processing engine.

EXHIBIT B

To Statement of Work (Secretary of State Contract Number 158)

Certificate of Good Standing Web Site (the "COGS Website")

Hosting Agreement

The Contractor shall host the COGS Website from July 1, 2003 through December 31, 2003. If the Secretary and Contractor decide to extend the hosting services, then a separate agreement shall be entered into for such hosting services. If the Secretary decides to terminate this Hosting Agreement prior to December 31, 2003, Secretary must provide 30 days written notice of Secretary's intent to terminate service.

Security Assessment

The Secretary may grant the Contractor access to the Secretary's database via the Internet. It is thus imperative that the Contractor has security measures in place to protect the Secretary's database and systems. The Contractor shall grant Secretary with access to the Contractor's web hosting facilities, including but not limited to, its networks and web servers, in order to conduct a security audit.

COGS Website Hosting

Contractor agrees to host the COGS Website on Contractor's Web Server from July 1, 2003 through December 31, 2003. As part of this service, Contractor agrees to make the COGS Website available to Internet users approximately twenty-four hours per day, to back-up the COGS Website at least once every two weeks, and to store said back-up materials in a safe and secure environment, fit for the back-up media, and not located at the same location as Contractor's Web Server. Also as part of this service, Contractor agrees to use its best efforts to ensure reasonable response times for users accessing the COGS Website.

Upon notice from Secretary in the event of Secretary's termination of its use of Contractor's Web Server as the host for the COGS Website, Contractor agrees to transfer a complete copy of Secretary's then-current Web Site, including all Code therefore, to Secretary, said transfer to occur by either copying them to 100 megabyte ZIP cartridges, CD-ROM, or via FTP. Files will be provided in its native format, standard word processing Text format, or, if images, as TIFF's, GIF's, JPEG's, or Photoshop files. The transfer method will be selected by Secretary in its discretion no later than twenty-four hours before the time the transfer is to take place. In the event such transfer results from Secretary's termination of its use of Contractor's Web Server as the host for the COGS Website, Contractor shall maintain one complete electronic version of the COGS Website, including all Code therefore, until Secretary informs Contractor in writing that the transferred files appear to be complete, at which time Contractor shall "wipe" its final copy of the COGS Website off of its computers and media.

During the time that The COGS Website is located on Contractor's Web Server, Contractor will make available on a monthly basis and free of charge reporting of the COGS Website traffic, including source IP address, most commonly viewed pages, and any other such data reasonably requested by Secretary. Contractor shall set aside a portion of its server, such portion only accessible by designated Secretary staff or members, in which such analysis resides. The analysis may be viewed or printed out by Secretary at its option.

Website Maintenance

From time to time Secretary may request Contractor to make maintenance modifications to the COGS Website. Fees for such modifications are not included in the hosting agreement and will be pre-approved by the Secretary's representative and billed according to Contractor's STS rates. Such modifications shall be implemented within five (5) business days of Contractor's receipt of Secretary's changes if the changes are easily implemented, and within ten (10) business days of Contractor's receipt of Secretary's changes if the changes are not easily implemented.

Security

Contractor shall take all reasonable measures to prevent unauthorized access to the COGS Website, any database or other sensitive material generated from or used in connection with the COGS Website. Contractor shall notify Secretary of any known security breaches or vulnerabilities.

Credit Card Processing

Secretary will be responsible for providing a secure connection to VeriSign (using VeriSign's Payflow Pro service) for credit card processing for the purpose of authorizing, charging and crediting customers for online filing through the COGS Website, and using Secure Sockets Layers (and update the same to keep pace with changes to industry practices) to create a secure environment for the transmission and receipt of all customer billing information.

Ownership and Use of Data

The Secretary shall own all right, title and interest in and to the Data collected on the COGS Website (Data includes, but is not limited to, the End User's name, address, phone, and e-mail address). Contractor shall adhere to all United States privacy and data collection laws applicable to its gathering, processing, storing, and transmitting of Data. Contractor shall use its best efforts to adhere to all such privacy and data protection laws of all other nations and shall indemnify Secretary for any loss, damage or expense caused by its failure to do so.

Service Levels

Subject to the terms and conditions of this Agreement Contractor shall provide hosting services twenty-four (24) hours a day, seven (7) days a week throughout the term of this Agreement. Secretary agrees that from time to time the services may be inaccessible or inoperable for any reason, including, without limitation: (i) equipment malfunctions; (ii) periodic maintenance procedures or repairs which Contractor may undertake from time to time; or (iii) causes beyond the control of Contractor or which are not reasonably foreseeable by Contractor, including, without limitation, interruption or failure of telecommunication or digital transmission links, hostile network attacks, network congestion or other failures. Secretary agrees that Contractor has no control of availability of hosting services on a continuous or uninterrupted basis. Contractor shall install and operate the site on one or more of Contractor's servers. Contractor shall not relocate the server(s) or outsource the operation of the site to any third party without the prior written consent of Secretary.

The Availability of the web site to public users shall be a minimum of ninety-nine and one-half percent (99.5%) of the time during any monthly period as defined below. "Availability" shall mean: $\text{Actual Uptime} / (\text{Scheduled Uptime} - \text{Excused Downtime})$. For purposes of calculating Availability:

(a) "Actual Uptime" shall mean the aggregate amount of time in any month during Scheduled Uptime, as measured in minutes, during which the Services are actually available for use.

(b) "Available For Use" shall mean that all of the functions and of the Services intended to be used by Secretary and its intended users are accessible to, capable of being downloaded by, and usable by Secretary and its intended users through the Contractor's network. For purposes of this Service Level, the Services shall not be considered to be unavailable (i.e. not "Available for Use") due to:

(i) Failures of personal computers, laptops and other end user devices of Users;

Scheduled maintenance as notified from time to time by Contractor; or

The behavior, performance, or failure of Secretary's equipment, facilities or applications; or

Internet outages beyond the control of Contractor or their immediate upstream provider.

(c) "Excused Downtime" shall mean the aggregate amount of time in any calendar month during Scheduled Uptime, as measured in minutes, during which the Services are not Available For Use if and to the extent such unavailability is within scheduled downtime windows mutually agreed to by

the parties.

- (d) "Scheduled Uptime" shall mean 24 hours per day, seven days per week, excepting 3:00 AM - 7:00 AM any Sunday.

The service level is deemed a material term of this Agreement and any failure to comply with them will entitle the Secretary to terminate this Agreement pursuant to the Termination provisions of the Contractor's State Term Schedule.